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DEPT FOR EUR/NCE, EUR/ERA, EUR/PGI, OES/GC, OES/STC, OES/ENV,

OES/PCI, G, EB/ESC, EUR/PPD EUR/NCE FOR DKOSTELANCIK AND BPUTNEY

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DEPT PASS USTR FOR WMOORE

COMMERCE FOR 4232/ITA/MAC/EUR/JBURGESS, JKIMBALL, MWILSON

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TAGS: ECON SENV KPAO ENRG PL

SUBJECT: POLAND: ENVIRONMENT AND SCIENCE INITIATIVES

REF: A) STATE 14726, B) 06 WARSAW 2395

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11. In response to ref A, post takes the opportunity to highlight post initiatives in environment and science. Various initiatives are already underway and post is planning for continued and increased cooperation in these areas. The Ambassadorplays a significant role in many of the environmental and scientific efforts put forward by post, and in the recruitment of U.S. high tech investors. These activities are central to achievement of our mission goals. Below is a summary of the various initiatives in environment and science that post is involved in.

12. Science and Technology Cooperation

-- Post alongside the Department and Washington agencies worked to achieve a U.S.-Polish Science and Technology Cooperation Agreement in 2006. The Agreement creates the legal framework to allow bilateral cooperation in science and technology between U.S. partners and Poland's national research institutes and universities. For the Polish side, the Agreement removes various administrative obstacles to transatlantic scientific collaboration and encourages joint research, conferences, and the exchange of people and ideas.

- -- The embassy actively assists in the recruitment of U.S. high-tech firms as investors in Poland. The decisions of such firms as Intel, Microsoft, Hewlett Packard, Motorola, General Electric, United Technologies, Bunge, and Dell to expand R&D capabilities or locate new high-tech investments in Poland have been strongly supported by the Embassy. Collectively, these firms now employ thousands of software programmers, engineers, and scientific personnel in Poland.
- -- The embassy advocates extensively on behalf of U.S. investors for improvements to Poland's business environment that will permit greater investment in advanced technology.
- -- Post is working with the Department of State's Science and

Technology Advisor's office to create a program that would encourage additional Polish scientists to study in the U.S.

-- To promote research cooperation with the U.S. private sector, the Ambassador hosted a reception in September 2006 for Poland's top scientists and researchers as well as representatives of the U.S. business community.

¶3. Clean Energy

- -- Post is working with the Ministry of Economy on its plans to host either a Clean Energy Ministerial or Clean Energy seminar for later in 2007. The high-level conference would demonstrate Poland's leadership in introducing new clean energy technologies into the region.
- -- As part of a regional effort with Embassies Prague, Bratislava, and Budapest, Warsaw FCS is organizing a renewable energy trade mission to the region in fall 2007. The mission would help to introduce renewable energy technologies and companies to the region and raise the awareness of how the development of renewables could help address energy security concerns.
- -- Following the visit of Council of Environmental Quality Chairman Connaughton to Poland in October 2006, post has been in close discussion with GOP contacts, attempting to connect them with USG experts to learn more about clean energy technologies and how the USG has implemented incentives for the private sector.
- -- Post is working to convince Poland to join the Department of Energy's Future-Gen program.
- -- Post hopes to further the dialogue on clean energy with GOP contacts nominated for the International Visitor Leadership Program European Regional Program on clean energy.

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-- Efforts are also underway to help GOP scientists find locations in the U.S. to research clean energy technologies. Post has been asked by the Ministry of Environment to assist in finding universities or labs where Polish PhD engineers affiliated with the Environment Ministry can be exposed to state-of-the-art clean energy technology. Post is awaiting a determination from the Department of Energy or the Science and Technology Advisor's office on appropriate institutions to host such personnel.

¶4. Climate Change

- -- In February 2007, post co-sponsored the Polish premiere of Al Gore's movie on global warming, "An Inconvenient Truth," and used the occasion to articulate U.S. policy on climate change and to highlight USG efforts to reduce greenhouse gas emissions. The screening, at an environmental and clean energy trade fair, enabled post to reach an eager audience of nearly 200 environmentally conscious Poles, while delivering an important message of USG concern for the environment and involvement in addressing the issue.
- -- For Earth Day 2007, post plans to collaborate with the local GLOBE program in celebration of its 10th anniversary in Poland. Through PAS's Mission Speaker's Bureau, post plans to send embassy representatives to speak at various GLOBE schools and participate in Earth Day activities.
- -- Post is facilitating contact between GOP emissions trading experts and those who handle similar issues in the USG. GOP experts are eager to learn from the U.S. experience in trading SO2 and also in creating a pollutant inventory to learn how to better implement both in Poland. Through embassy asssitance, Polish experts are gaining from the U.S. experience in these areas.

15. Other Environmental

- -- Poland recently joined the Methane to Markets International Partnership. Post plans to capitalize on this new area of cooperation by encouraging Poles to share their expertise in the mining sector and also to cooperate on projects to learn from others how to better utilize methane for energy.
- -- On a regular basis the Ambassador makes an effort to visit national parks in Poland and encourage proper stewardship of nature. The Ambassador sponsored the first reception ever by the Embassy for Poland's National Park Directors to highlight interest in this area.
- -- In 2006 a group of Polish national park directors participated in an International Visitor Leadership Program and post hopes to send another such group in 2007. Such cooperation helps to prepare Poland's parks to deal with increased levels of urban encroachment and park visitors, while protecting Poland's diverse wildlife.
- -- PAS conducts a speaker's series that brings experts to Poland to speak on urban economic revitalization topics addressed include environmental reclamation and protection, both things Poland has to grapple with as its economy is growing so rapidly.
- -- Post participates as a council member of the ECOFUND, a non-profit fund established substantially out of a portion of Poland's former debt to the United States at the time of its Paris club rescheduling. The U.S. was, in effect, the largest donor to the fund, accounting for over half of its capital. In 2007, the fund expects to help finance projects worth \$30 million.

16. Science

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- -- A Department of Energy-funded project is underway to convert a Polish nuclear research reactor to low-enriched uranium from highly-enriched uranium. Post works closely with all parties involved to ensure the process continues according to schedule.
- -- The Department of Energy is also funding a project to transport spent fuel from Poland's nuclear research reactor to Russia for safer storage.
- -- Post participated in the 10th annual Warsaw Science Picnic, displaying a photo exhibit "Mars: Mission Possible" and hosting an interactive demonstration of a miniature version of the Mars rover.
- -- Post is working with NASA to create an exhibit entitled "Return to the Moon" which will pair information about the first moon landing with the strategic plan to return to the moon in the next decade. This exhibit will be used for the 2007 Warsaw Science Picnic, a large open air fair attended by as many as 100,000 people, for Satellite Days, organized by the Polish Academy of Science and the Polish Space Research Center to show the benefits of satellites and space research, and for events celebrating the 50th Anniversary of Space Exploration.

17. COMMERCIAL ADVOCACY

- -- Post is supporting GE in its attempt to build a coal gasification power plant in Poland. The potential \$2 billion investment will take advantage of Poland's huge coal reserves (the largest in Europe) to provide a cleaner fuel for electric power generation. GE is still negotiating with partners and hopes to have a feasibility study done in 2008, and then a facility up and running by 2013.
- -- Post is also involved in supporting Caterpillar Power Ventures in its investment dispute surrounding the production and sale of clean

energy. This \$40 million environmentally sound cogeneration plant in Starachowice, Poland was completed in September 2004. However, because of protracted and difficult negotiations with the Polish electricity regulator, the URE, to establish a viable tariff rate agreement, the power plant has not been paid for excess power sold to the national grid. Despite considerable USG advocacy on Caterpillar's behalf, there is still no resolution and the plant has basically remained idle. The latest proposal from the GOP involves new legislation in an Energy Law that might help resolve this longstanding issue.

Action Request

- 18. The close cooperation various embassy sections have had with Polish counterparts in the areas of environment and science is evident as projects move forward. Poles are eager to learn more about U.S. technologies and concerns in these areas and regularly seek contact with U.S. scientists and experts. Any additional specific/technical information Washington can share with the field about USG initiatives would be welcome by Polish contacts. Additionally, Washington visitors focusing on these areas will find an attentive audience in Poland.
- 19. Specifically, post seeks the Department's assistance in identifying universities or labs where Polish engineers may conduct research on clean energy technologies, as mentioned in paragraph 3.

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